

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE JOINT RESOLUTION 346*

Sponsors: Senators Goldston, Plyler, Basnight, and Royall.

Referred to: Rules and Operation of the Senate.

March 6, 1989

1 A JOINT RESOLUTION OPPOSING THE USE OF MOTOR FUEL TAX FOR
2 REDUCTION OF THE FEDERAL DEFICIT.

3 Whereas, the Highway Study Commission was created by the North Carolina
4 General Assembly to study the highway needs of the State and to recommend funding
5 solutions to meet these needs; and

6 Whereas, extensive study and review of the many options for North Carolina
7 to provide the funding needed for its highway construction and maintenance programs
8 have concluded that the North Carolina Highway Fund will continue to provide most of
9 the funds for these programs; and

10 Whereas, the major component of the North Carolina Highway Fund is the
11 State motor fuel tax; and

12 Whereas, Congress has been considering an increase in the federal motor fuel
13 tax to reduce the federal deficit; and

14 Whereas, the federal motor fuel tax forms the major resource of the federal
15 Highway Trust Fund which provides federal-aid to the states for highway construction
16 and rehabilitation needs; and

17 Whereas, expenditures from the federal Highway Trust Fund have never
18 contributed to the federal deficit; and

19 Whereas, the highway construction and rehabilitation needs, now and in the
20 foreseeable future, greatly exceed the State and federal-aid funds available to meet these
21 needs; and

22 Whereas, an increase in the federal motor fuel tax for deficit reduction
23 purposes is an unwarranted diversion of traditional revenue sources for highway

1 programs and would cause a reduction in gas consumption and result in less revenue for
2 the federal Highway Trust Fund and for the North Carolina Highway Fund; and

3 Whereas, Congress has already reduced the obligation authority for the
4 federal-aid highway programs to twelve billion three hundred fifty million dollars
5 (\$12,350,000,000) per year through 1991 in an effort to reduce the federal deficit; and

6 Whereas, any action by Congress to increase the federal motor fuel tax for
7 federal deficit reduction purposes must be strongly opposed since such an increase
8 would adversely impact on the ability of North Carolina to provide adequate revenues
9 for its highway programs;

10 Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

11 Section 1. The North Carolina General Assembly strongly opposes any
12 increase in the federal motor fuel tax for the purpose of federal deficit reduction.

13 Sec. 2. The Secretary of State shall transmit certified copies of this resolution
14 to North Carolina's Congressional Delegation.

15 Sec. 3. This resolution is effective upon ratification.